

Executive Office

October 19, 2007

Mr. Joe Yun Department of Water Resources Division of Planning and Local Assistance P.O. Box 942836 Sacramento, CA 94236-0001

Dear Mr. Yun:

Proposition 84 IRWM Guideline Development

On behalf of The Metropolitan Water District of Southern California (Metropolitan), we are writing in response to your solicitation of comments regarding the development of Proposition 84 Integrated Regional Water Management (IRWM) grant guidelines.

Metropolitan is a consortium of 26 cities and water districts encompassing multiple watersheds. As the responsible steward of a regional water supply that serves more than 18 million people in Southern California, Metropolitan must plan for and manage long-term water supply uncertainties. To deal with these uncertainties, Metropolitan works with its member agencies to develop and implement a regional Integrated Resources Plan (IRP), a portfolio approach to managing an array of water supply resources. This portfolio approach helps us make best use of the water we have, while improving our ability to adapt to changing circumstances such as the recent curtailment of Delta water exports.

Through the IRP, Metropolitan facilitates and supports regional coordination among and within watersheds to meet water supply demands and reduce dependence on imported water. Local and regional solutions such as conservation, recycling, and groundwater clean up and recharge are important components of the IRP. The IRWM program has similar objectives and can help complement and support both Metropolitan and its member agencies' efforts in meeting these important goals. As such, Metropolitan would like to ensure that the IRWM plans are consistent with the IRP and meeting the water supply needs of our area.

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The following are specific suggestions for your consideration as you begin to develop the Proposition 84 IRWM Guidelines:

- The next round of IRWM guidelines and funding should maintain an emphasis on improving local water supply reliability by reducing dependence on imported water to meet future demands, and promote plans and projects that meet multiple objectives and provide multiple benefits.
- Existing and new components of the IRWM program should continue to support projects that improve local and regional water supply reliability and assist in meeting the long-term water needs of the state, including projects that contribute to the sustainability of the Delta.
- The IRWM program should help regions address and respond to the uncertainties of climate change both by supporting projects that reduce contributions to climate change and by investing in projects that will help regions adapt to anticipated changes in hydrology.
- Statewide priorities are an important component of the IRWM program, and we believe it is appropriate for IRWM plans and projects to contribute to attainment of statewide objectives. Some of the statewide priorities and issues that are important to Metropolitan include:
 - Reduce water demand through agricultural water use efficiency and urban water use efficiency.
 - Increase water supply through conjunctive use management and groundwater storage, desalination, precipitation enhancement, recycled municipal water, and surface storage.
 - o Improve water quality for public health and environmental purposes.
 - o Broaden the use of resource stewardship practices.
 - o Improve operational efficiency and transfers through conveyance, system reoperation, and water transfers.
- Projects or programs that could be implemented in multiple regions, such as conservation incentive programs and water quality clean up for inter-regional groundwater basins should be eligible for the inter-regional funds.

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- Metropolitan recognizes the potential for storm water capture and clean up to be a significant source of local water supply augmentation. IRWM funding can help support innovation in this area by granting planning and project implementation funds to develop best management practices and demonstration projects.
- The number and frequency of IRWM funding cycles, distribution of funds between planning and implementation rounds, and competition for funds within the Funding Areas should be a transparent process. It is important for all parties to be knowledgeable about the entire process from the beginning.
- The IRWM guidelines should clarify that stakeholders, including investor-owned utilities regulated by the Public Utilities Commission, are eligible to receive funding from the primary applicant or project proponent.
- Metropolitan agrees with DWR's suggestion to require the IRWM plans to also address
 the public process, the decision-making process, the review process, and the process for
 updating the plans.

Thank you for this opportunity to submit comments in regard to the development of the Proposition 84 IRWM guidelines. We appreciate the Department's efforts in managing the IRWM program and the guideline development process.

Sincerely,

Stephen M. Chuhn Stephen N. Arakawa

Manager, Water Resource Management

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